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Country needs \$2.75b investment in next 5 years Master plan for low-cost power development soon

Energy and Mineral Resources Minister Dr Khondaker Mosharraf Hossain said here yesterday that the government had undertaken a 'power system master plan study' to identify low-cost power development plan for the next 20 years' reports BSS.

The draft final report of the master plan study had recently been completed and it would be finalised very shortly, he added.

In order to meet the expected future demand of electricity, the country would require an investment of about Taka 110.0 billion equivalent to 2.75 billion US dollars during the period of 1996-2000 and about Taka 154.0 billion equivalent to 3.85 billion US dollars during the next five years, it was revealed in the draft report.

The Energy Minister was opening a seminar on 'Build better Bangladesh' organised by the Institute of Electrical and Electronic Engineers (IEEE), Bangladesh chapter

and the Department of Electrical and Electronic Engineering (IEE), BUET to mark the first national conference of IEEE at a city hotel.

With Shahidul Islam Khan, Chairman of IEEE in the chair, the inaugural ceremony was also addressed, among others, by Prof Mohammad Shahjahan, Vice Chancellor of BUET, Dr Siddique Hossain, Head of the Department of IEE, BUET and Giasuddin Mollah, General Secretary of IEEE.

The Energy Minister outlined some key features of the draft report and said it was estimated in the draft report that peak demand of electricity in the country would score at 3150 megawatt (MW) by the year 2000 against the present peak demand of about 2000 MW, 4600 MW by the year 2005, 6800 MW by the year 2010 and 10,000 MW by the year 2020.

The Energy Minister said the government was very much keen to provide ade-

quate electricity supply to its vast population at a reasonable price. "Electricity generation, transmission and distribution is a very capital intensive network," he said adding "it is difficult for the government alone to provide huge amount of fund required for the power sector." That's why, power generation sector has opened up for the private investment and we are now looking forward for bilateral and multilateral financing as well as private investment both local and foreign for adequate and sustainable development of power sector."

Dr Mosharraf Hossain said the government had already approved in principle the 'power sector reforms programme' for a sustainable development and performance improvement in the power sector. A 'power cell' staffed with professionals has been created to implement the power reforms programme, he added.

The Energy Minister said, the role of engineers in

building the national economy on a sound footing through solving the basic problems like poverty alleviation and population explosion was pivotal. They have to march the nation ahead to face the challenges of 21st century which would be the age of tough competition in science, technology and information flow, he added.

Prof Shahjahan said that engineering was an integral and indispensable part of development process. Now-a-days the developing countries of the world were not only totally dependent on the engineering personnel but also had been demanding newer ideas and newer solutions from the engineers, he added.

The seminar had four technical sessions on electrical power and energy, telecommunications and computers. A total of 12 key-note papers with special focus on power sector and telecommunication sector were presented in the seminar.

Lutfor opens crushing season of sugar industry

RAJSHAHI, Oct 20: State Minister for Industries Lutfur Rahman Khan today inaugurated the crushing season of sugar industry for the current year by opening sugar production at Natore and Rajshahi sugar mills respectively, reports BSS.

The two mills have set targets of producing 22680 and 21710 tons of sugar by crushing 2,70,000 and 2,60,000 tons of sugarcane respectively, according to a Bangladesh Sugar and Food Industries Corporation press release.

Sugar production also began in North Bengal and Faridpur Sugar Mills today with a combined production target of 37021.00 tons.

Addressing two separate gatherings of workers, employees, farmers and local elite at Natore and Rajshahi Sugar Mills premises on the occasions the minister said performance of country's sugar industry in the last crushing season (1994-95) was commendable.

He, however, maintained, that much remained to be desired since the volume of local sugar production still remained short of domestic requirement.

BSFIC has set a target of producing 2 lac 43 thousand 312 tons of sugar by crushing 28 lac 93 thousand tons of sugarcane.

In the last season 2 lac 71 thousand tons of sugar was produced against a target of 2 lac 18 thousand tons.

Trading takes place for 2 days over the week 27-pt rise in DSE index

By Sharier Khan

The brief two-day share trading cut short by the hartal saw a sky-rocketing of All Share Price Index of the Dhaka Stock Exchange (DSE) by 27 points to a record height of 875.42 points.

The market capitalisation also shot up in the two days of trading by Tk 1.69 billion to a record new level of Tk 54.55 billion from the previous week's Tk 52.86 billion.

Market operators observe that because of the hartal, trading became intense in the two days of the week. When the DSE sold around 1.5 lakh scrips daily on an average few months ago, recent average trading has jumped up to over 2.5 lakh shares and debentures daily.

Market operators further observe that the increase in trading, which has pushed up prices of different shares, has been partially caused by a sharp increase in the number of local investors.

Due to publicity by the media, we are having one new investor or two almost everyday. Comparing to last

year, the number of investors has perhaps doubled this year," a market operator noted.

"We believe there will be tremendous pressure of buying and selling orders Saturday when the DSE floor will open after the four-day hartal," one market operator said. "Orders for buying and selling have already piled up in the pipeline of the market operators because of the hartal."

According to DSE sources, two new scrips — Monno Textiles and Altex will enter the DSE market soon. A total of 5 lakh 5,079 shares and debentures worth Tk 8 crore 64 lakh 43,189 were traded in this two-day week against 12 lakh 96,699.50 shares and debentures worth Tk 18 crore 55 lakh 31,446.25 of the previous four-day week.

The week's daily average volume of trading was 2.5 lakh shares and debentures against the previous week's 3.24 lakh while the average value of trading of the week was Tk 4.32 crore against Tk

4.63 crore of the previous week.

A total of 190 issues having 117 gainers and 49 losers were traded this week as against 396 issues having 211 gainers and 136 losers.

BTC appeared as the volume leader of the week as it sold 73,830 shares Saturday.

It was followed by Beximco Pharma which sold over 66,000 shares, Eastern Housing over 56,000, Apex Weaving over 24,000, Beximco Textiles over 23,000, Bangladesh Zippers over 21,000, BOC and Dynamic Textiles over 16,000 each, and Purabi Insurance over 15,000.

A sampling of 20 frequently traded issues show that in the two days of trading prices of 14 issues like Bangladesh Zippers, 7th ICBMF, Bangladesh Lamps, Singer, Beximco Fisheries etc have gone up and only one issue of Apex Foods has gone down while the rest remained static. The price of Monno Ceramic shot up in the two days by Tk 527 per share.

DHL Singapore wins Asian IT Management Award

DHL International (Singapore) Pte. Ltd., the Singapore arm of DHL Worldwide Express, has been awarded the Information Technology Management Award by the Board of Judges at the Fifth Asian Management Awards, says a press release.

This is DHL's third award for this year.

Organized by the Events and Awards Managers Asia, the Asian Management Awards is presented by the Asian Institute of Management in association with the Far Eastern Economic Review and responsible Asian enterprises.

The Asian Management Awards honours, recognizes, and promotes management excellence in seven areas: general management, finance, operations, marketing, information and technology, people development, and development management.

At the dinner awards ceremony held at the Singapore Marina Mandarin yesterday, DHL International (Singapore) Pte. Ltd., General Manager, Charles Chia, received the Award from Guest of Honour, Dr Lee Boon Yang, Singapore's Minister for Labour.

Economic upswing boosts Gulf bank performance

ABU DHABI, Oct 20: Commercial banks in six Gulf Arab States have performed better this year due to an economic upswing, higher income from interest and earnings from new activities, experts said yesterday, according to AFP.

Most of the economies of the Gulf Cooperation Council (GCC) states are projected to record positive growth rates in 1995 after a decline in 1994, mainly because of higher oil prices and a surge in trade and construction.

"This will naturally affect the operations of commercial banks, which depend heavily on providing credits to the local market," said Zuhair Kaswani, a leading United Arab Emirates (UAE) stockbroker.

"According to unaudited results, most banks in the UAE have performed better and will likely achieve record profits this year. This can be reflected in the steady increase in the prices of their shares in the market."

Apart from a surge in credits to economic sectors, the UAE's 47 banks have overcome the problem of bad and doubtful debts and have expanded lending activities to cover personal loans and financing of car purchases he said.

Central bank figures showed credits by the 19 local banks and 28 foreign units grew by around eight per cent in the second quarter of 1995 to 71.7 billion dirhams (19.5 billion dollars) from 66.5 billion dirhams (18.1 billion dollars) at the end of March. The figure is also higher by nearly 10 per cent over the credits recorded at the end of 1994.

Despite lower crude oil prices in 1994, UAE banks reported record profits mainly because of higher earnings from foreign assets and a surge in lending for the construction and trade sectors, which have remained the key beneficiaries from bank loans over the past decade.

Net profits hit an all-time high of 2.31 billion dirhams (629 million dollars) in 1994 compared with another record income of nearly 1.96 billion dirhams (534 million dollars) in 1993.

"Results so far indicate UAE bank profits will be higher by between 15 and 25 per cent over 1994," said Ahmed Bin Buraik, Manager of Citibank.

Suleiman Al-Mazrui, marketing manager at the Emirates Bank International, said the strong performance was due to "the implementation

of more public ventures, a surge in loans to construction, trade and the government as well as expanded activity in credit cards and financing of cars."

In Saudi Arabia, the World's top oil power, banks are forecast to exceed their 1994 earnings but will unlikely achieve similar results as in 1993, when their net profits hit a record 5.13 billion riyals (1.36 billion dollars).

Most of the banks that have released their balance sheets have reported higher profits for the first half due to a surge in credits and a growth in interest income and earnings from investment and trading securities.

"You can say profits this year will be slightly higher" than in the previous year, when they totalled 4.83 billion riyals (1.28 billion dollars), according to Henry Azam, Chief Economist at the Saudi National Commercial Bank.

So far, only seven of Saudi Arabia's 12 commercial banks have released first-half results, showing an increase of around 13 per cent in net profits to 1.67 billion dirhams (445 million dollars).

FBI agents arrest US bank robber

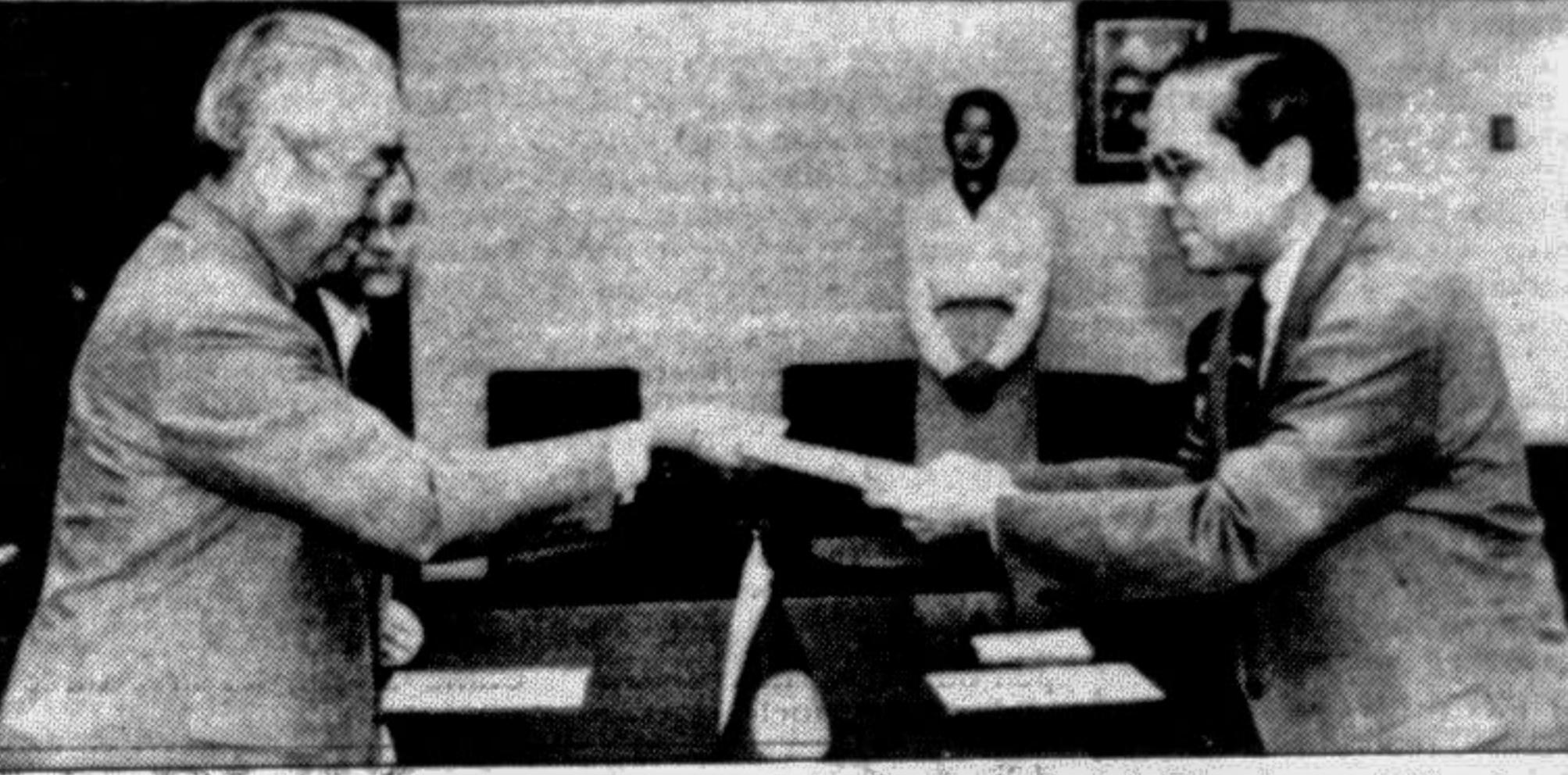
WASHINGTON, Oct 20: A former press secretary to two Republican Congressmen has been arrested on bank robbery charges, the Justice Department said on Thursday, reports Reuter.

FBI agents on Wednesday arrested Thomas Springer, 46, at his home in Silver Spring, Maryland, a suburb of Washington.

Springer, who had worked as press secretary for representatives Michael Forbes, a New York Republican, and Toby Roth, a Wisconsin Republican, is charged with robbing a bank in Vienna, Virginia, another Washington suburb, on October 18.

The Justice Department said Springer was apprehended after a citizen noticed him urinating in public near his car a short distance from the bank, wrote down the licence plate number and called the police, which traced the car to his apartment.

He faces up to 20 years in prison and a fine of up to 250,000 US dollars if convicted. He was held without bond pending a preliminary hearing in Federal court on Monday.



Bangladesh Ambassador to Japan S M. Rashed Ahmed (right) exchanged the loan agreements under the 22nd yen-loan package with OECF-President Akira Nishigaki at the headquarters of the organisation in Tokyo recently. — PID photo

Donors pledge \$300m aid to PLO

PARIS, Oct 20: Donor countries on Thursday pledged some 300 million dollars in aid to the Palestinian autonomous areas over the next three years, officials said, reports AFP.

Speaking after two days of talks, delegates said they hope the total cost of projects to be financed, estimated at 550 million dollars, will be made up by a December 10 plenary session of donors in Paris.

The talks have been held under the auspices of the World Bank, to hammer out pledges of aid for Yasser Arafat's Palestinian Authority

for the three-year period 1995-1998.

Of the total already pledged, 90 million dollars will come from the World Bank, said Carlo Koch-Weser, the bank's Vice President for the Middle-East and North Africa region, at a press conference.

Palestinian Cooperation Minister Nabil Shaath said the funds for projects in the Gaza Strip and the West Bank, would allow the territories to launch a "new medium and long-term development strategy."

Water distribution projects would receive 128 mil-

lion dollars, while health, education, electricity and urban development projects would receive 50 million dollars initially, he said.

Funds were also being earmarked for a new road network between the main towns of the West Bank, and for the creation of three industrial zones, one in the Gaza Strip and two on the West Bank.

The meeting follows the September 28 accord between Israel and the PLO to extend self-rule across the West Bank. Autonomy was launched in May 1994 in the Gaza Strip and the West Bank enclave of Jericho.

Different political cultures and at times rival economic interests have threatened to rupture ties between the members of the Association of South-East Asian Nations (ASEAN) in the grouping's near three decades of existence.

But what had begun partly as a united front of five South-East Asian countries against the rise of communism in Indochina has evolved into a key player in South-East Asia and a budding bloc that can wield clout even beyond the Asia-Pacific.

And while many derided ASEAN's presentation of itself as primarily an economic grouping since its members seemed determined to compete furiously with one another, the last two years have shown that ASEAN countries are finally near acting as one.

Indeed, it is hard to believe that just a decade ago, ASEAN seemed trapped in its beginnings as a small defensive circle of non-communist South-East Asian countries.

Formed in 1967, ASEAN's early years were also marked by national insurgencies and intra-regional tension that almost rent the fragile group apart.

Indonesia faced off with Malaysia in the *konfrontasi* of the early 1960s. The Philippines lodged its claim to the Malaysian state of Sabah in 1962 and broke off ties with Kuala Lumpur. Singapore broke from the Malaysian Federation in 1965.

Those turbulent times gave rise to serious doubts about ASEAN's ability to survive, but ASEAN's success has killed such doubts today," said Singapore Foreign Minister S Jayakumar at the re-

ASEAN earning spurs as a major economic player

cent ASEAN foreign ministers' meeting here.

Twenty-eight years later, ASEAN has not just survived spat among members but healed ideological wounds with Indochina. Last month, Vietnam became a member and Cambodia an observer, like Laos.

And Laos, Cambodia and Myanmar are expected to become members by century's end, making all of the sub-region's ten countries part of ASEAN. In December, the ten heads or government will meet at the ASEAN Summit in Bangkok.

But the expanding ASEAN has also cast its eye beyond South-East Asia, and in fact forms the core from which larger groupings have sprouted in recent years.

ASEAN is at the heart of the Asia-Pacific Economic Cooperation (APEC) forum, which last year agreed on a trade liberalisation scheme to be completed by the year 2020.

It is the main mover behind the ASEAN Regional Forum (ARF), a three-year-old forum comprising 18 countries and the European Union that meets yearly to discuss Asia-Pacific security issues.

At the ARF meeting here in early August, members voiced concern about nuclear tests, sought restraint in the disputed South China Sea and urged more "transparency in the military" forces in the region.

As Thai Foreign Minister Kasem Kasemsri noted:

Though our primary focus is on South-East Asia and intra-ASEAN cooperation, ASEAN is fast becoming a global player.

"ASEAN's scope of activities has gone beyond geographical boundaries," he added. "Its external dialogue has branched across different parts of the globe, enabling us to forge close linkages with the world's leading economic powers."

ASEAN will also open a new front in external ties next year when Asian leaders start a dialogue with Europe,

Johanna Son writes from Bandar Seri Begawan

whose governments had previously expressed concern at being left out of ASEAN's warming ties with North America through APEC.

The meeting of Asian and European leaders in the first quarter of 1996 in Thailand

was brokered by ASEAN.

"It is the first meeting of its kind between the two important continents of the world, marking a beginning of a new stage of inter-continental cooperation," Vietnamese Foreign Minister Nguyen Manh Cam said here in July. "It reflects a new

perception on the importance, role and position of South-East Asia."

The list of countries eager to link up with South-East Asia is growing. India and Pakistan are ASEAN sectoral dialogue partners. Mongolia

and Taiwan are keen on dialogue with ASEAN. Kyrgyzstan and North Korea are said to be interested in a role in ARF.

Yearly ASEAN meetings have become occasions for the regional group to talk with its seven, non-South-East Asian 'dialogue partners'.

At the sidelines, a maze of bilateral talks occurs between members, observers, and dialogue partners.

In Brunei in August, such meetings provided the venue for China and the Philippines to set bilateral talks on the Sparty Islands. US Secretary of State Warren Christopher and Chinese Foreign Minister Qian Qichen met to mend strained bilateral ties.

Over the decades, ASEAN has boosted its credentials by giving refuge to Indochinese refugees in the 1970s, isolating Vietnam after it invaded Cambodia and aiding political settlement here.

Some officials already count as a feather in ASEAN's cap its controversial 'constructive engagement' policy with Myanmar which they say played a role in the junta's July 10 release of Nobel laureate Aung San Suu Kyi after six years of house arrest.

The secret behind ASEAN's success may well lie in doing things the non-confrontational Asian way, using *musyawarah* and *mufakat* (Malay for consultation and consensus).

But while decision-making by consensus instead of voting has kept ASEAN cohesion, it tends to forestall quick action needed in a world of cut-throat economic rivalry. Some political analysts say ASEAN is prone to adopting a snail's pace because all have to agree before action is taken.

ASEAN has indeed tended to act slower in the economic

rather than political sphere. Said Jayakumar: "We in ASEAN should prepare ourselves psychologically to become a 'rapid reaction' organisation, one that responds quickly to new challenges."

The same concern is prompting ASEAN governments to seriously study Brunei Sultan Hassanal Bolkiah's call at the meetings here to further speed up tariff reduction in the ASEAN Free Trade Area from 2003 to 2000, as regional blocs like the Southern Common Market (Mercosur) have shorter deadlines.

"If we in ASEAN do not move fast and stay ahead of developments, we will be sidelined," Jayakumar said, adding this could affect the region's ability to continue luring foreign investments that helped fuel its economic boom.

ASEAN's growing membership and the prospect of having ten members soon raises some fears that it would be harder to forge consensus among a bigger group, some of whose new members are still adjusting to the ASEAN corporate culture.

Malaysia is leery of changes that could dilute ASEAN's clout in fora such as APEC and ARF, even as it wants ASEAN to take the lead in a controversial forum called East Asia Economic Caucus (EAEC).

Malaysian Foreign Minister Abdullah Badawi said ASEAN could be weakened by

lack of unity in bigger bodies like APEC or ARF, which would make ASEAN nations "marginal players at best."

ASEAN helped create APEC in 1989, but Abdullah said it has now been "so steered as to generate a momentum of its own" and "interests and concerns of smaller member countries of APEC such as those in ASEAN seem to be given short shrift."

APEC is caught between countries like the United States and Australia that want faster trade liberalisation and those that fear developing nations would be trampled on by bigger members.

"The ARF process too, unless carefully nurtured, risks being wrested from ASEAN," Badawi warned. ASEAN started ARF as a consultative forum, but differences exist among members on how fast it should develop into a conflict resolution body and whether it should even become that at all."

To be sure, while ASEAN has gone quite a way beyond what its founders could have conceived nearly 30 years ago, it is still cementing the ties that bind the group. Kasem noted that ASEAN must have "more than the will power to get together — the ability to live together."

— IPS

